



# The Real Estate ANALYST

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1940

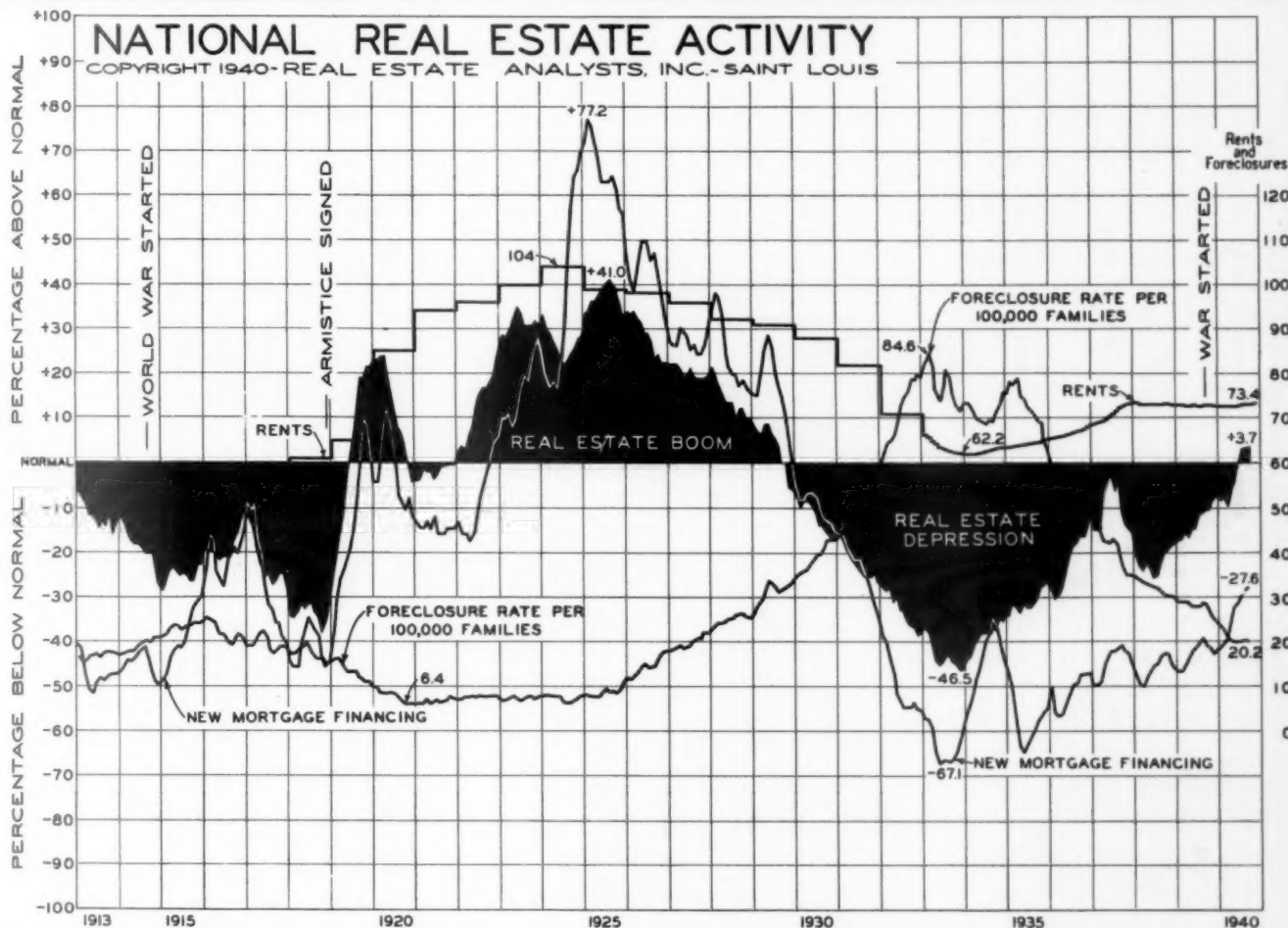
Roy Wenzlick  
Editor

A concise easily digested periodic analysis based upon scientific research in real estate fundamentals and trends...Constantly measuring and reporting the basic economic factors responsible for changes in trends and values.....Current Studies.....Surveys.....Forecasts

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REAL ESTATE ECONOMISTS, APPRAISERS AND COUNSELORS

VOLUME IX



**V**OLUNTARY sales of real estate in the principal cities again increased slightly in September, carrying our chart to 3.7% above the long-term normal. During the boom in the twenties we reached a level 41.0% above normal, then sank during the depression to a point 46.5% below normal. We are now more than half-way back to boom levels of activity in the nation as a whole. Activity is still spotty, however, and all communities have not shared to the same extent in the recovery.

Although foreclosures have reached such a low level that further radical drops are impossible, we think the movement during the next year will be downward. Residential rents showed a very slight rise, which may be the start of a new upward movement.

New mortgage financing advanced to a new recovery high. We think our mortgage line may need revision, as it is based on the number of mortgages recorded in principal cities, and the tendency toward amortized mortgages has probably reduced the number of mortgages in relation to the dollar value due to the lessening of second and third mortgages.

# BUILDING COSTS OF A STANDARD SIX ROOM FRAME RESIDENCE BUILT IN ST. LOUIS

The chart on page 197 shows the variations in the costs of materials, labor and overhead for a six-room frame residence in St. Louis. Floor plans and a picture of the house are shown with the chart. Costs are grouped into four classifications of material, four of labor and three of overhead. A further breakdown of these groups is given in detail below. Columns of the table are numbered, and a brief description of the items included in each is given in the

## Group A:

- (1) Mason Materials: Cement, sand, gravel, quick lime, hydrated lime, hard wall plaster, face and common brick, fire brick, flue lining, Labor.
- (2) Tile Materials: 4" x 4" wall tile, ceramic floor tile, cap and base, Labor.
- (3) TOTAL OF GROUP A: Materials. Labor.

## Group B:

- (4) Unfinished Lumber: Columns, beams, floor and ceiling joists, interior and exterior studs, rafters, bracing, etc., Labor.
- (5) Finished Lumber: Sub-flooring, sheathing, beveled siding, finished floors, asphalt shingle roofing, roofing felt, tar paper, shutters etc., Labor.
- (6) Mill Work: Windows, doors, trim, kitchen cabinet, stairs.

## Group C:

- (7) Sheet Metal: Copper gutters, downspouts, flashing, Labor.
- (8) Electrical Work: Main switch, BX cable, switch boxes, receptacles, transformer etc., No fixtures included, Labor.
- (9) Nails and Hardware: Common and wire nails, bolts, damper,

## Group D:

- (10) Heating: Boiler, insulating jackets, fittings, tools, pipes, connections, valves and radiation, Labor.
- (11) Plumbing: Soil Pipes and connections, stack, water pipe and connections, lead oakum and bathroom fixtures; hot water heater and tank to be furnished by others, Labor.
- (12) TOTAL OF GROUP D: Materials. Labor.

## Group E:

- (13) Paint Materials: White lead, linseed oil, turpentine, Labor.
- (14) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (15) TOTAL OF GROUP E: Materials. Labor.

## Group F:

- (16) Overhead and profit of subcontractors in plastering, heating, plumbing, metal work, electrical work and tile work.
- (17) General contractor's profit.
- (18) Missouri sales tax (now 2% on materials), old age and unemployment insurance (federal and state), liability and employees' compensation insurance, fire and tornado insurance, completion bond.
- (19) TOTAL OF GROUP F.
- (20) TOTAL CONSTRUCTION COST.

## Group G:

- (21) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (22) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (23) TOTAL OF GROUP G: Materials. Labor.

## Group H:

- (24) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (25) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (26) TOTAL OF GROUP H: Materials. Labor.

## Group I:

- (27) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (28) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (29) TOTAL OF GROUP I: Materials. Labor.

## Group J:

- (30) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (31) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (32) TOTAL OF GROUP J: Materials. Labor.

## Group K:

- (33) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (34) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (35) TOTAL OF GROUP K: Materials. Labor.

## Group L:

- (36) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (37) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (38) TOTAL OF GROUP L: Materials. Labor.

## Group M:

- (39) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (40) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (41) TOTAL OF GROUP M: Materials. Labor.

## Group N:

- (42) Faint Materials: White lead, linseed oil, turpentine, Labor.
- (43) Misc.: Metal and wood laths, corner bead, insulation, Labor.
- (44) TOTAL OF GROUP N: Materials. Labor.

paragraphs below. Paragraphs are numbered to correspond with the columns described. Building material costs are printed in black; the corresponding direct labor items are given in red. Overhead items - columns 18, 19 and 20 - are also printed in black. \*No labor items are shown in column 13, Building Hardware, as they have already been included in column 6, Mill Work.

san doors, finish hardware.  
(14) Faint Materials: White lead, linseed oil, turpentine, Labor.  
(15) Misc.: Metal and wood laths, corner bead, insulation, Labor.  
(16) TOTAL OF GROUP D: Materials. Labor.  
(17) TOTAL COSTS: Materials. Labor.  
Group E:  
(18) Overhead and profit of subcontractors in plastering, heating, plumbing, metal work, electrical work and tile work.  
(19) General contractor's profit.  
(20) Missouri sales tax (now 2% on materials), old age and unemployment insurance (federal and state), liability and employees' compensation insurance, fire and tornado insurance, completion bond.  
(21) TOTAL OF GROUP E.  
(22) TOTAL CONSTRUCTION COST.

YEAR	GROUP A			GROUP B			GROUP C			GROUP D					GROUP E			TOTAL (22)																			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)		(18)	(19)	(20)	(21)															
1913	\$343	\$388	\$24	\$13	\$367	\$401	\$218	\$101	\$424	\$134	\$350	\$121	\$152	\$136	\$231	\$110	\$383	\$246	\$65	\$12	\$36	\$49	\$16	\$59	\$64	\$51	\$18	\$227	\$142	\$1973	\$1144	\$248	\$337	\$132	\$716	\$833	
1914	362	388	24	13	386	401	212	101	424	134	349	121	147	136	248	110	395	246	59	12	32	45	16	59	64	48	19	235	153	1973	1144	248	337	132	716	833	
1915	360	388	24	13	384	401	189	108	424	134	323	131	144	144	249	116	401	260	64	12	30	52	17	64	69	40	19	235	153	1911	1199	257	337	135	729	3839	
1916	366	396	24	13	390	406	258	109	438	145	348	131	1025	135	203	116	512	260	108	12	55	54	22	86	69	59	19	323	153	2250	1206	295	375	142	812	4269	
1917	456	413	25	14	481	426	258	109	500	146	396	132	1154	147	244	152	609	122	108	12	59	54	26	110	69	69	19	372	156	2610	1243	365	418	152	896	4749	
1918	539	421	25	15	564	436	292	118	570	151	449	143	1311	420	322	152	681	276	95	14	52	54	30	118	75	73	21	368	165	2924	1296	346	457	163	965	5185	
1919	624	453	25	15	649	469	519	128	618	170	729	154	2256	452	290	160	639	290	83	15	45	57	31	113	81	112	23	384	176	2928	1366	342	566	187	1095	6409	
1920	742	463	28	17	770	480	607	183	618	188	729	200	280	646	305	184	677	334	83	21	46	66	36	94	116	132	32	440	235	4713	1695	366	677	227	1268	7674	
1921	674	501	25	18	699	519	479	183	628	200	736	206	225	663	273	192	460	156	73	23	69	30	94	119	104	132	32	443	243	3664	1772	372	581	215	1168	6080	
1922	609	506	25	18	634	524	362	144	703	232	511	209	253	615	258	204	433	166	64	20	35	73	28	79	111	81	31	287	235	3248	1744	370	536	205	1111	6102	
1923	633	576	25	21	658	597	410	200	793	268	551	245	1754	711	267	227	430	184	69	14	38	81	28	94	128	90	36	320	268	3429	1887	407	582	225	1218	6624	
1924	618	703	25	21	869	811	401	246	779	328	551	245	1672	870	274	277	388	224	80	28	35	100	35	97	156	87	44	318	288	3429	1887	407	582	225	1218	7487	
1925	606	684	25	108	857	791	375	251	732	335	472	302	1579	888	273	255	381	207	64	29	37	92	37	89	159	85	45	318	325	3429	1887	407	582	225	1218	7280	
1926	566	653	25	108	816	760	379	249	732	320	428	288	1545	848	264	244	381	197	64	29	37	87	36	86	152	85	43	311	310	3316	2139	469	582	237	1288	7045	
1927	565	621	25	108	816	729	354	228	715	304	358	275	1427	808	251	184	395	159	64	26	37	66	33	84	145	80	41	310	277	3130	2139	469	582	237	1288	6635	
1928	563	541	208	97	771	639	405	184	644	244	377	220	1427	648	261	184	382	151	64	26	37	66	33	85	116	74	32	300	277	3131	1858	544	213	1194	6194		
1929	565	541	185	97	750	639	370	184	687	244	384	220	1431	648	270	184	385	151	65	26	37	66	33	89	116	71	32	320	277	3156	1958	545	213	1195	6210		
1930	474	422	185	97	659	519	370	135	655	181	213	164	1307	481	251	140	341	114	592	254	37	50	33	72	87	211	24	380	177	2984	1431	380	479	175	1034	5449	
1931	411	342	155	57	566	400	375	108	594	145	254	131	1161	385	226	112	322	91	548	203	58	12	32	61	70	198	39	380	161	2655	1150	317	412	146	875	4680	
1932	436	342	139	51	577	394	368	108	568	108	532	145	1069	385	210	112	286	91	496	203	50	12	38	60	70	199	39	385	161	2507	1143	295	395	142	832	4482	
1933	457	342	130	51	587	394	355	108	562	145	444	131	1261	385	208	112	279	91	478	203	52	12	40	54	70	214	39	374	161	2700	1143	291	413	146	850	4693	
1934	540	342	122	51	662	394	439	108	613	131	444	131	1646	385	234	112	270	91	513	203	55	12	34	60	40	22	39	376	161	3217	1143	291	413	154	919	5279	
1935	508	422	111	67	619	483	399	135	638	181	523	164	1560	481	236	140	302	114	528	254	43	15	24	62	87	218	47	384	200	3091	1423	300	481	174	956	5469	
1936	506	490	111	67	617	577	364	159	655	209	494	188	1513	557	255	160	301	131	556	294	45	19	28	57	98	151	53	385	228	3071	1633	344	505	239	1087	5791	
1937	508	508	111	67	619	575	364	186	688	245	539	221	1591	653	239	160	308	134	547	294	59	22	32	57	64	104	227	53	410	237	3167	1758	355	528	289	1172	6097
1937	503	508	111	67	619	575	423	186	763	245	591	221	1777	653	246	160	395	134	581	294	55	22	37	61	64	104	227	53	407	237	3379	1758	337	505	295	1205	6342
1937	500	519	111	67	611	586	423	186	772	245	592	221	1787	653	250	160	332	161	582	321	53	22	29	61	64	104	227	53	404	237	3384	1795	376	556	332	1264	6443
1937	500	510	111	67	611	577	369	184	745	244	592	221	1706	649	255	160	330	134	585	294	48	22	26	57	64	104	223	53	392	236	3294	1756	360	541	324	1225	6274
1938	500	428	103	67	603	495	369	162	693	210	591	189	1653	561	255	160	313	134	568	294	48	19	26	57	68	88	223	42	384	207	3218	1487	329	482	297	1107	5946
1938	500	428	103	67	603	495	343	162	633	210	592	189	1568	561	231	160	305	134	536	294	45	19	25	57	68	88	222	42	387	207	3094	1557	335	490	310	1135	5786
1938	516	428	103	67	619	495	343	162	631	210	549	169	1523	540	239	160	285	134	524	294	45	19	25	57	64	88	221	42	382	207	3048	1536	328	489	301	1119	5703
1938	516	417	103	67	619	483	343	142	631	185	550	167	1524	494	239	160	285	134	524	294	48	17	26	57	64	88	221	42	387	205	3052	1476	326	484	296	1106	5634
1939	535	417	103	77	618	494	353	142	642	185	595	167	1520	404	239	160	284	134	523	294	49	17	27	57	64	88	192	42	360	205	3021	1487	329	482	297	1107	5615
1939	510	561	103	77	613	638	345	164	644	219	509	198	1498	581	239	160	267	134	506	294	48	19	26	57	64	116	192	61	359	253	2976	1766	348	507	329	1184	5926
1939	516	561	103	77	613	638	346	164	639	219	509	198	1497	581	239	160	271	131	510	291	46	19	26	57	64	116	191	61	356	253	2918	1763	353	522	329	1189	5923
1939	510	561	103	77	613	638	395	164	713	219	509	198	1601	581	239	160	285	131	524	291	51	19	27	57	65	116	193	61	366	253	3123	1763	353	522	335	1202	6096
1940	510	538	103	77	613	614	374	158	679	215	567	195	1600	567	236	160	282	131	518	291	58	17	32	57	65	93	193	61	378	229	3109	1702	352	516	327	1194	6005
1940	510	538	103	77	613	614	371	158	651	215	566	195	1588	567	236	160	285	131	521	291	63	17	35	57	65	93	193	61	386	229	3108	1702	352	516	327	1194	6004
1940	510	538	103	77	613	614	371	158	651	215	566	195	1588	567	236	160	285	131	521	291	63	17	35	57	65	93	193	61	386	229	3108	1702	352	516	327	1194	6004
1940	510	556	103	77	613	633	415	158	735	215	604	195	1754	567	236	160	285	161	521	321	63	17	31	57	66	93	201	69	390	236	3278	1758	361	540	341	1242	6278
1940	510	556	145	77	655	628	448	158	736	215	604	195	1788	567	236	160	301	161	551	32																	

## BUILDING COSTS ARE ADVANCING RAPIDLY

**I**N September 1939 we sent all of our subscribers a booklet by Roy Wenzlick entitled, "Should We Build Our Home Now?" In this booklet he advised immediate building for anyone contemplating building a home. He said, "I have gone over my figures very carefully, and because of the combination of low interest rates and construction costs, I can say definitely that a house can be built today to sell for a smaller payment per month than has been possible at any time during the past twenty years. That this cost will go lower, I consider improbable. That it will remain at this level for any length of time, I think extremely doubtful. That it will probably rise by a considerable amount in the relatively near future, I believe a distinct possibility."

Again in the May issue of Better Homes and Gardens he started an article with the sentence, "If you ever expect to build a home, there are many reasons for believing the next six months offer opportunities which probably won't exist again for many years."

A glance at the table and chart opposite shows how correct this advice was. It will be noticed that before the war started in Europe, it cost \$5923 to build the standard six-room frame house covered by the table. As late as July 1940 it could still be built for \$6004, an increase of only \$81 or 1.4%. Since then, however, the rises have been sharp. In August the cost increased by \$274, in September by \$112 more and in October by \$151 - a total in the three months of \$547, or 9.1%. In the opinion of our organization these increases in construction cost are just beginning.



It is interesting how this cost reaction is following the same pattern followed after the beginning of the World War. One year after the war started the cost of building had advanced by only \$6. The following year it advanced by \$430, or 11.2%; in six years, \$3845 or slightly more than 100%. It should be noticed, however, that the advance in price in the last three months is almost equal to the advance in the second year of the first World War. It should also be remembered that the real cause of the real estate

boom of the twenties was the increase in construction costs from 1915 to 1920. Costs are now increasing more rapidly than they did then.

Recently a client asked for a comparison of the increase in construction costs of a frame and a brick house. The house to the left above is the standard six-room frame house covered by the table on the page opposite. The house illustrated at the lower right is the standard six-room brick house described and charted from 1913 on in a Construction Bulletin published by Real Estate Analysts on April 21, 1939. A comparison of the recent behavior of costs is shown below:



	Frame House	Brick House
Cost in July	\$6004	\$6643
Cost in Oct.	<u>6551</u>	<u>6926</u>
Increase in cost=	\$ 547	\$ 283



## RATE OF GROWTH OF METROPOLITAN COUNTIES

**L**AND acquires its value from its fertility, its mineral deposits and its location. Its fertility, if the highest and best use of the land involves fertility, affects the dollar value through the net profit, which is left as rent of the land, after all expenses of production are paid. Mineral deposits affect the value of the land in much the same fashion as fertility except that the quantity that can be extracted is limited, requiring allowances for depletion. Location of all land, regardless of use, affects value. The farm and the mineral deposits take on value as they are accessible to satisfactory markets. In urban properties where neither fertility nor mineral deposits (other than a soil satisfactory from the viewpoint of foundation problems) are of any importance, practically the entire value depends on location. The value due to location is greatly affected by population changes. It is quite obvious that subdivision properties will sell more readily and at a higher price in a city that is growing rapidly than in a city that is stationary or declining in population. Since commercial locations depend entirely for their value on accessibility to large numbers of potential buyers, their values will have rather direct relationship to population growth.

While the foregoing is more or less obvious, it is not generally recognized that in a period when construction costs are rising rapidly - as they are at present - rents and values on older properties will rise more rapidly in a city that is growing in population than they will in a city that is growing slowly. The reason why this is true is that in the rapidly growing city vacancies are absorbed quickly, bringing about a housing shortage, which in turn causes rents to rise rapidly on older buildings. The rents and values of older buildings will continue to rise until they reach the level of construction costs then current, which forms their approximate upper limit. On the other hand, let us take an extreme example - a city losing population fast enough to maintain a large percentage of vacancy that remains fairly constant in spite of improving business conditions and in spite of the fact that older buildings are constantly being torn down or becoming too obsolete to remain a part of the competitive market. In this latter city, regardless of how rapidly construction costs rise, rents and values will not rise proportionately.

Contrary to popular opinion, commercial values in any community do not depend so much on the rate of growth of that community as they do on the number of potential buyers accessible to that location and to the buying habits of these people.

The 1940 federal census figures are now available for all counties in the United States. The rate of growth in the last decade for the country as a whole has been much slower than it has been in the past. This change has many implications for real estate. It is better, however, not to generalize on these effects as the population trends have been different in different parts of the country.

The charts on the six following pages show the relative rates of growth for each decade from 1850 to the present for the principal metropolitan counties of the United States. These charts are based on the county rather than the city, as in a long period of years city boundaries change frequently and materially, while county boundaries, with few exceptions, have remained fixed. The county limits also generally include many important suburbs not inside the city limits. In a number of the cities shown on these charts more than one

county has been included in the metropolitan area.

In order to understand these charts and what they indicate, it is necessary first to study the chart at the bottom of this page.

This chart shows the typical (median) rate of growth for each decade from 1850 to 1940 for all metropolitan counties in the United States. It will be noticed on this chart that from 1850 to 1860 the typical metropolitan county had increased in population by 41.4%. The increase from the 1860 census to the census of 1870 was 30.7%, and for each succeeding census enumeration the percentages are shown down to the present census of April, 1940, which shows the typical growth of 7.2% over the 1930 figures.

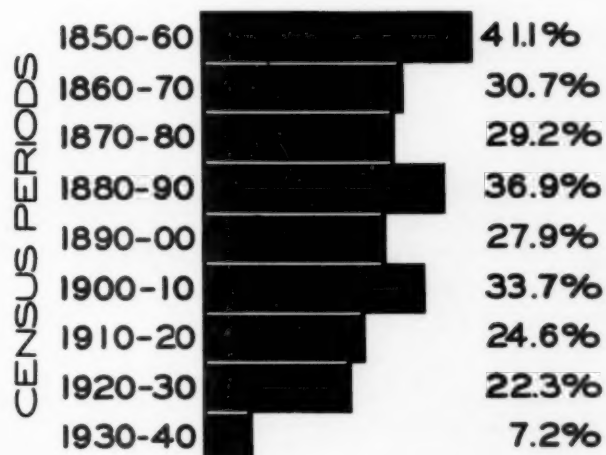
The charts on the following pages show the rates of population growth in each decade for each of the principal metropolitan counties - not in absolute figures but as a percentage above or below the typical rate of growth for that decade. For instance, the chart on Albany on the following page shows that between 1850 and 1860 Albany increased in population by a percentage 58% below the typical increase in all metropolitan counties. This does not mean that Albany lost population, for it actually grew 17% in this period, but it did not grow as rapidly as the typical metropolitan area.

A second example, Atlanta, shows a totally different picture over the entire period from 1850 to the present. The rate of growth in Atlanta has been greater than the typical experience in metropolitan counties. From 1930 to 1940 the rate of growth of Atlanta exceeded the typical rate by 219.5%.

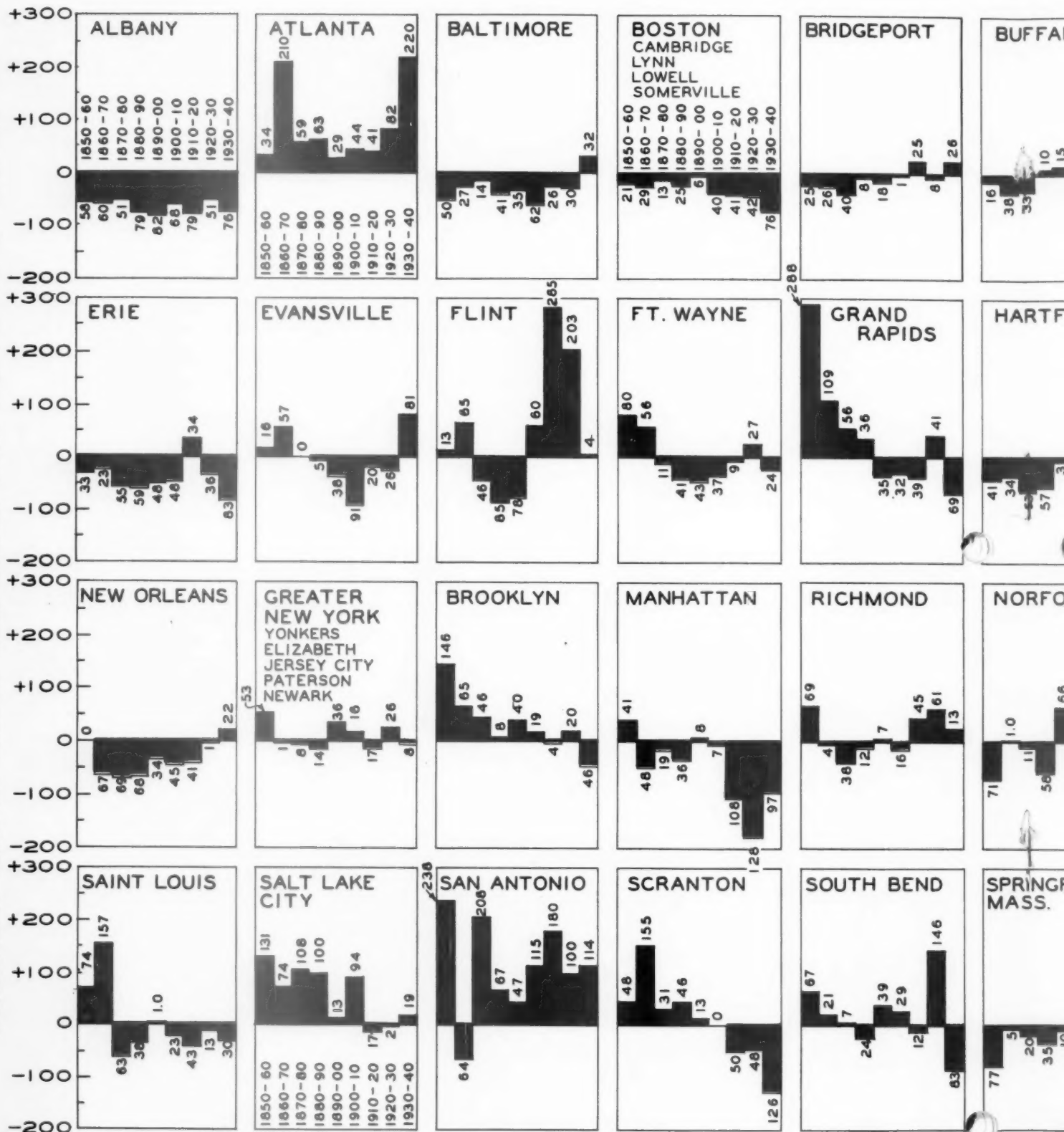
It will be noticed that some cities have been below the typical rate of growth each decade we have shown. This is true of many of the older, more matured cities in the East and Northeast. It is not true of most of the cities in the Southwest and on the West Coast.

We think that this series of charts evaluates the various metropolitan areas in the United States from the standpoint of population growth on a relative basis entirely apart from local enthusiasms.

### AVERAGE RATE OF GROWTH OF METROPOLITAN COUNTIES 1850-1940



PERCENTAGE GAIN OR LOSS IN COMPARISON WITH THE NATIONAL AVERAGE

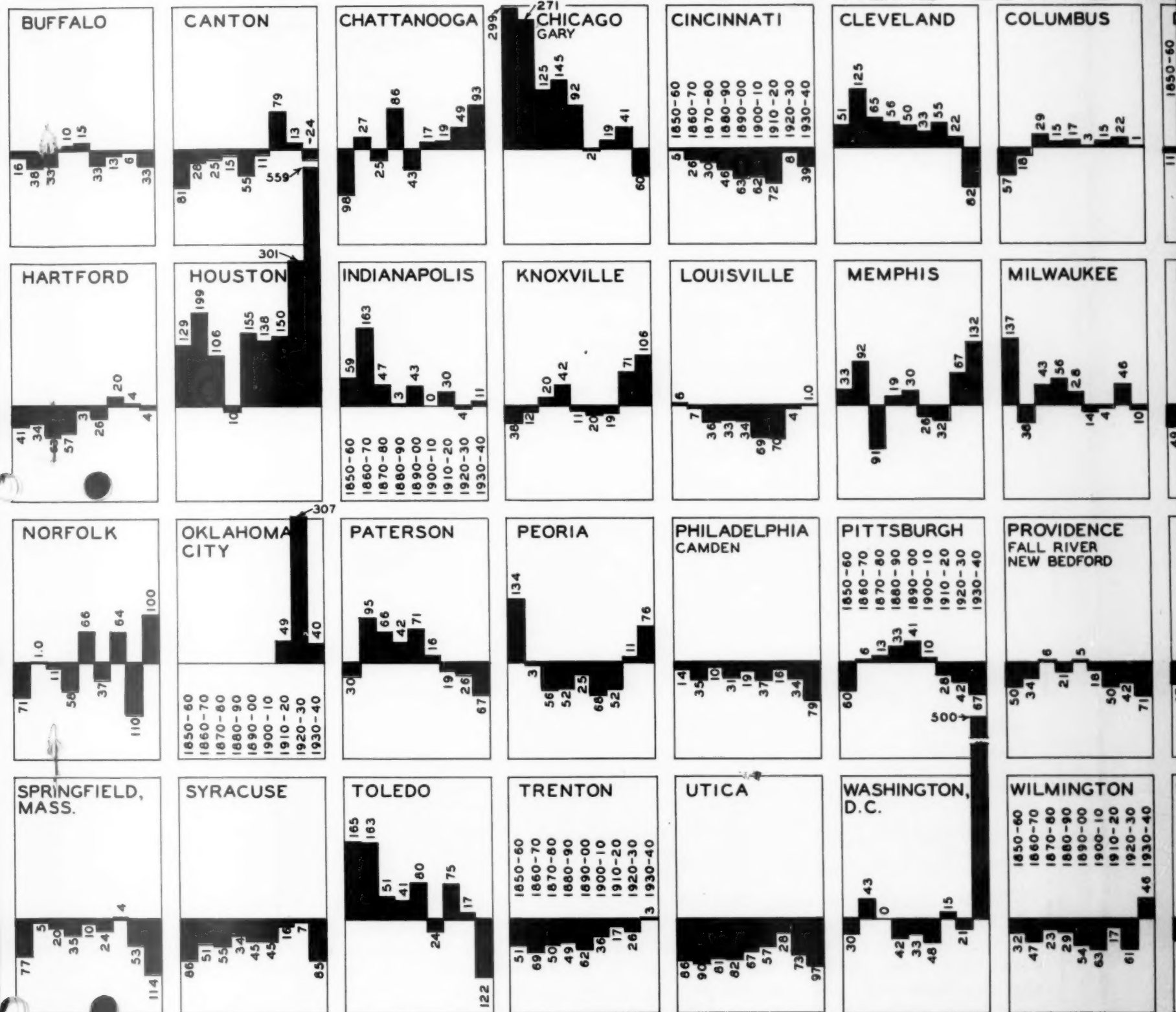




# RATE OF POPULATION GROWTH OF AS A PERCENTAGE ABOVE OR BELOW

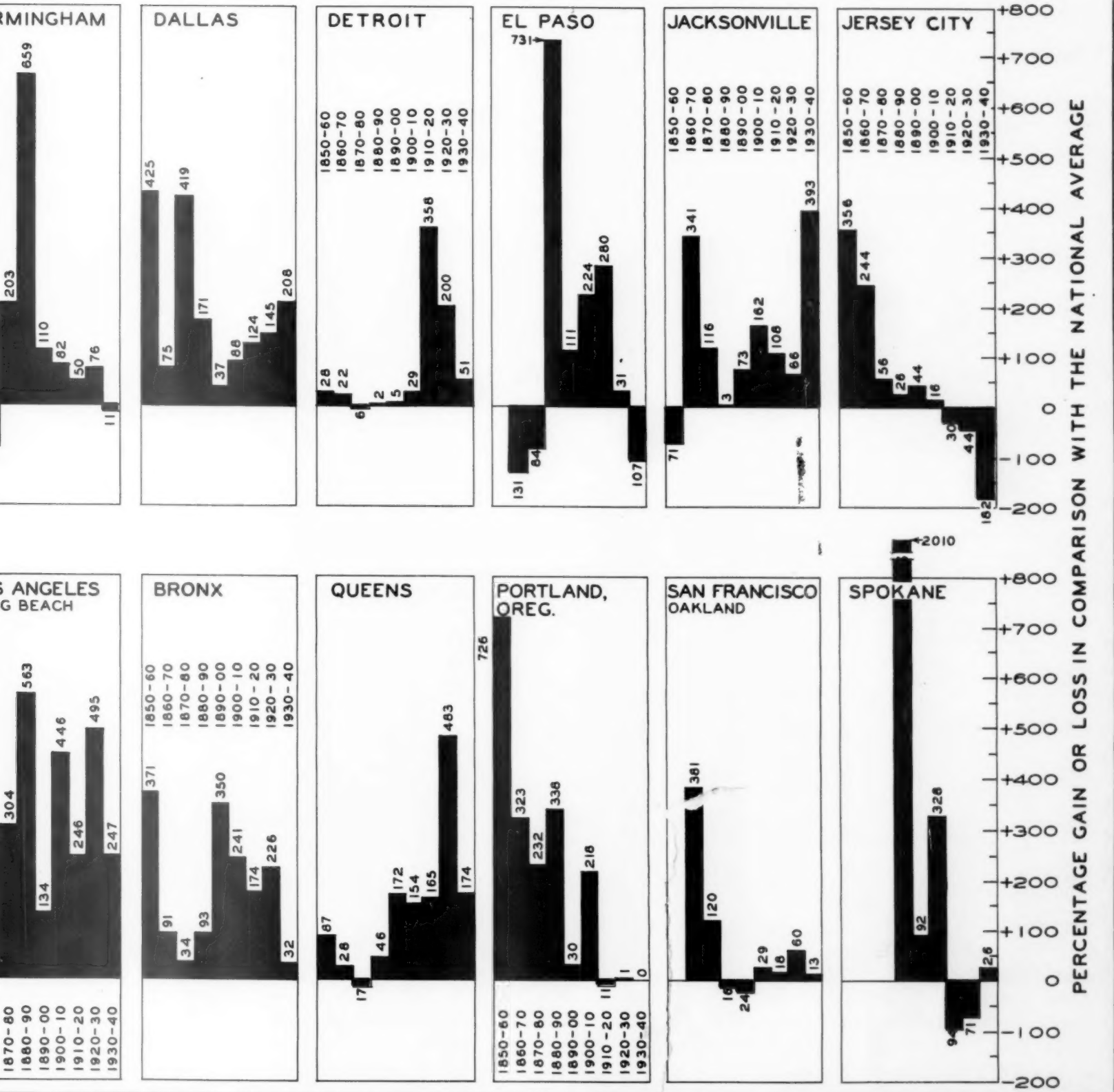
1850 - 1940

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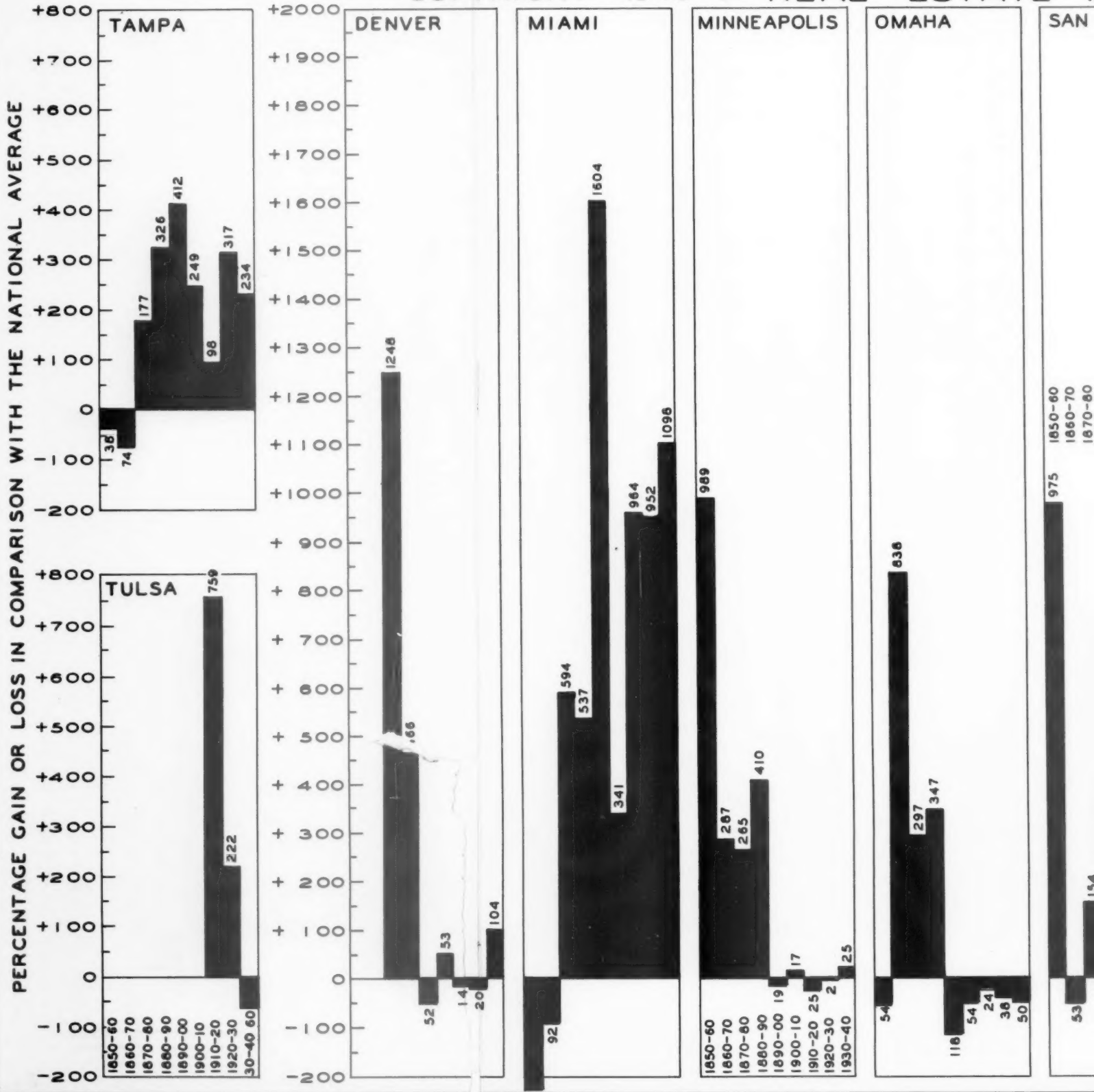


PERCENTAGE GAIN OR LOSS IN COMPARISON WITH THE NATIONAL AVERAGE

# RATE OF POPULATION GROWTH AS A PERCENTAGE ABOVE OR

1850 - 19

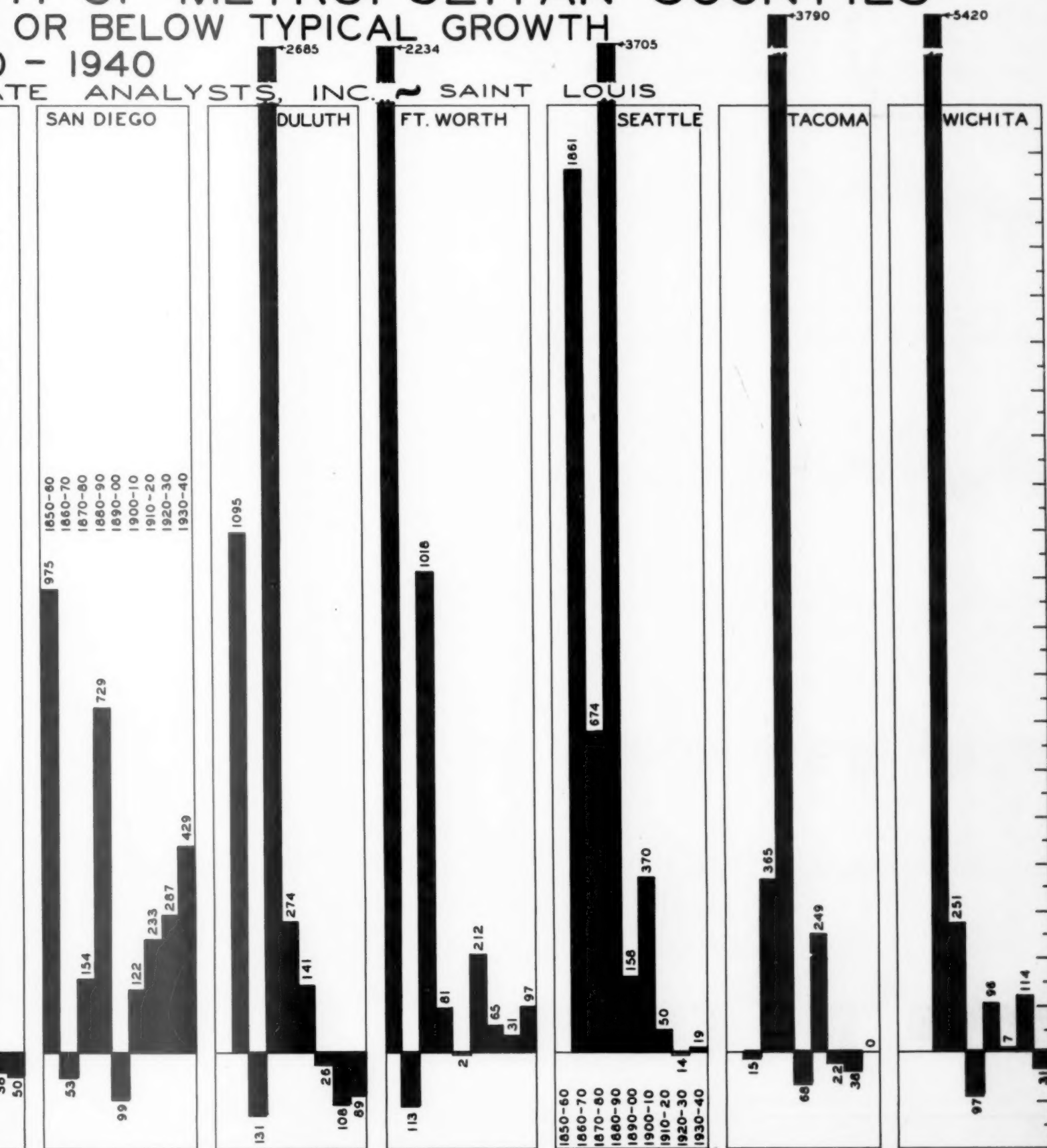
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# GROWTH OF METROPOLITAN COUNTIES AT OR BELOW TYPICAL GROWTH

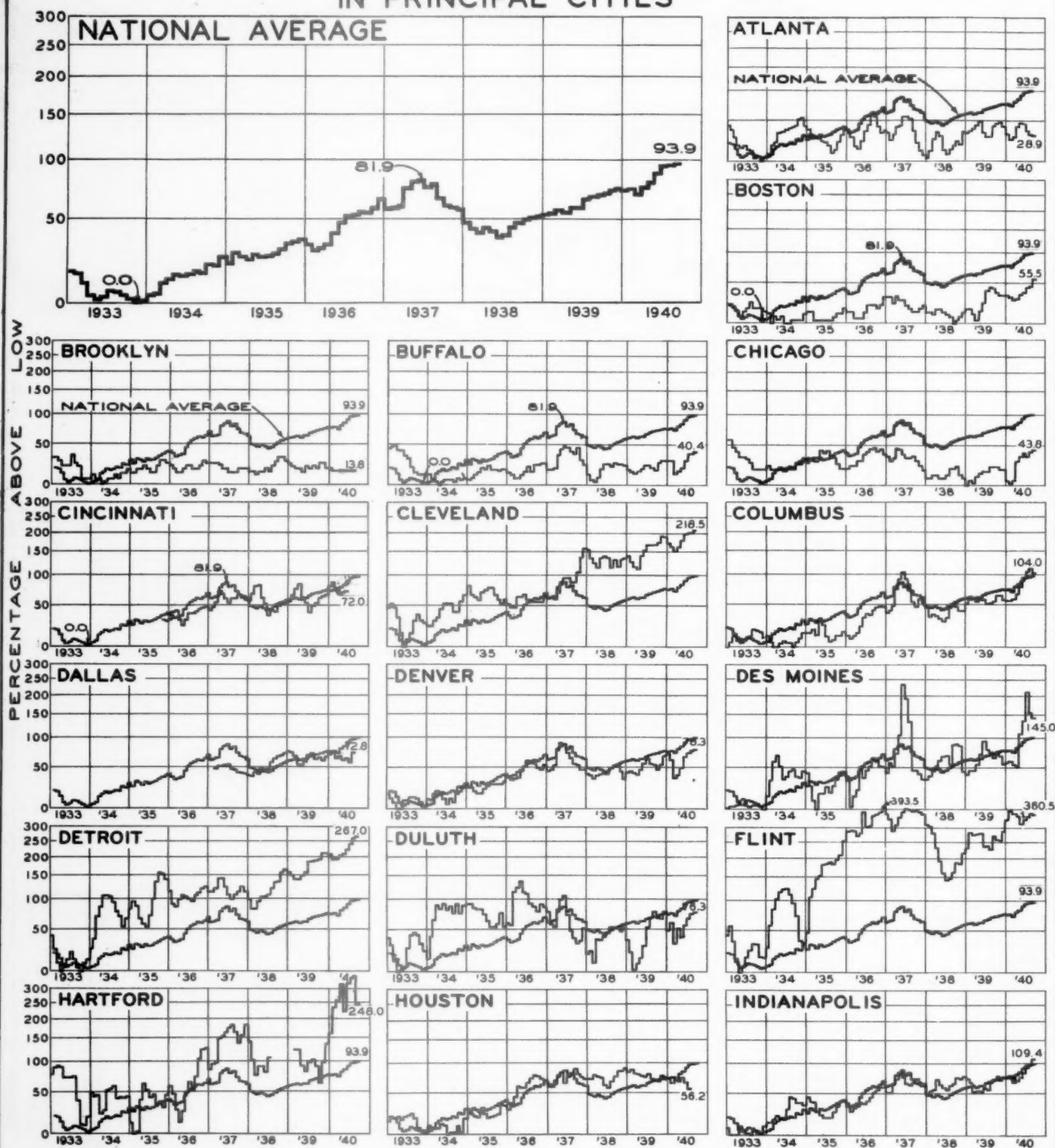
1850-1940

STATISTICAL ANALYSTS, INC. SAINT LOUIS





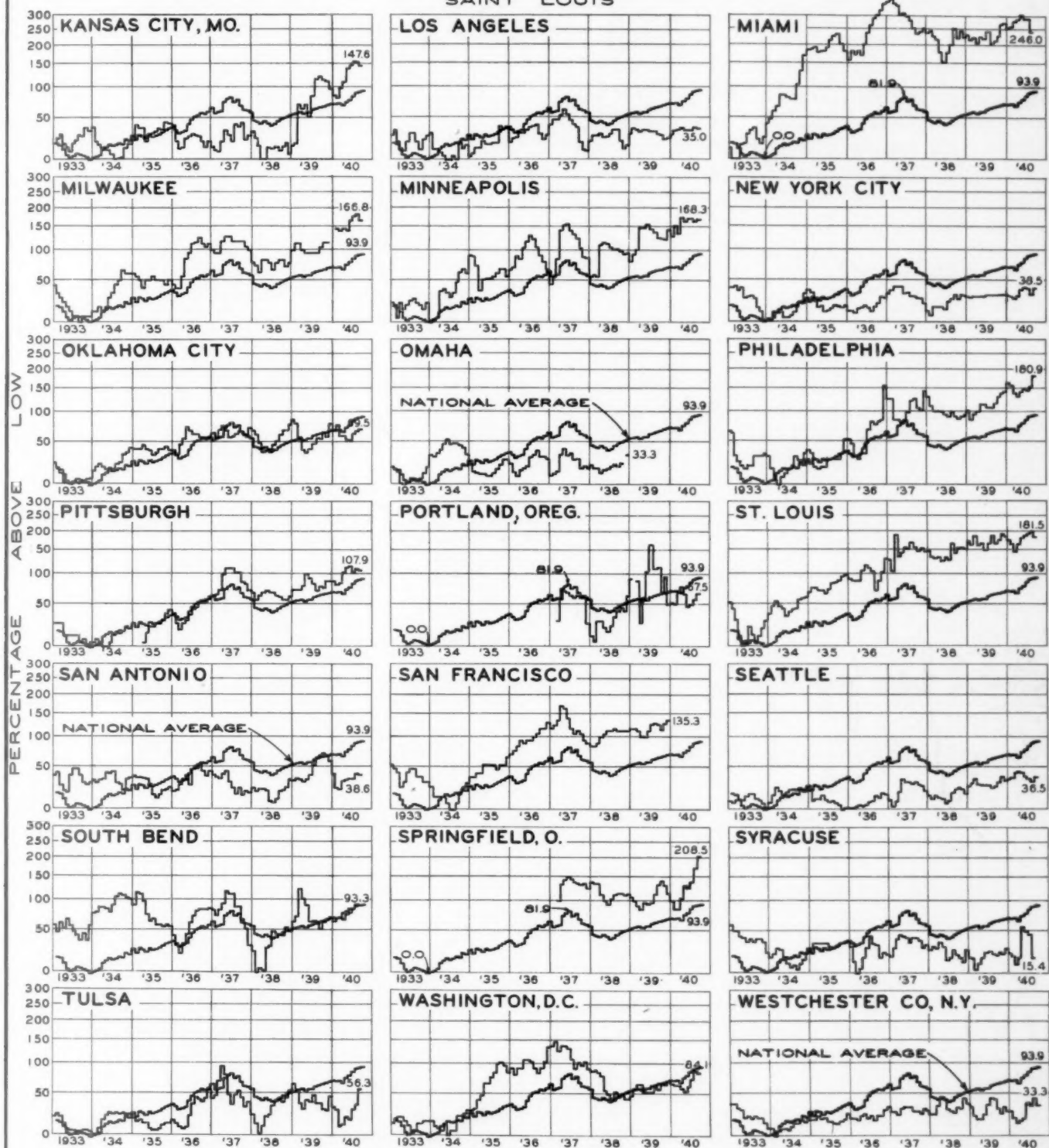
# REAL ESTATE TRANSFERS IN PRINCIPAL CITIES



THESE charts show the fluctuations in the voluntary transfers of real estate from 1933 to the present. The black line on each chart shows the monthly fluctuations of voluntary transfers as a percentage above the low point for that city. The red line is identical on all charts and shows the typical reactions of all cities on which figures are available. All figures have been corrected for seasonal influences.

For some cities it has been possible to secure far more accurate figures on voluntary transfers than for others. This is due to differences in local

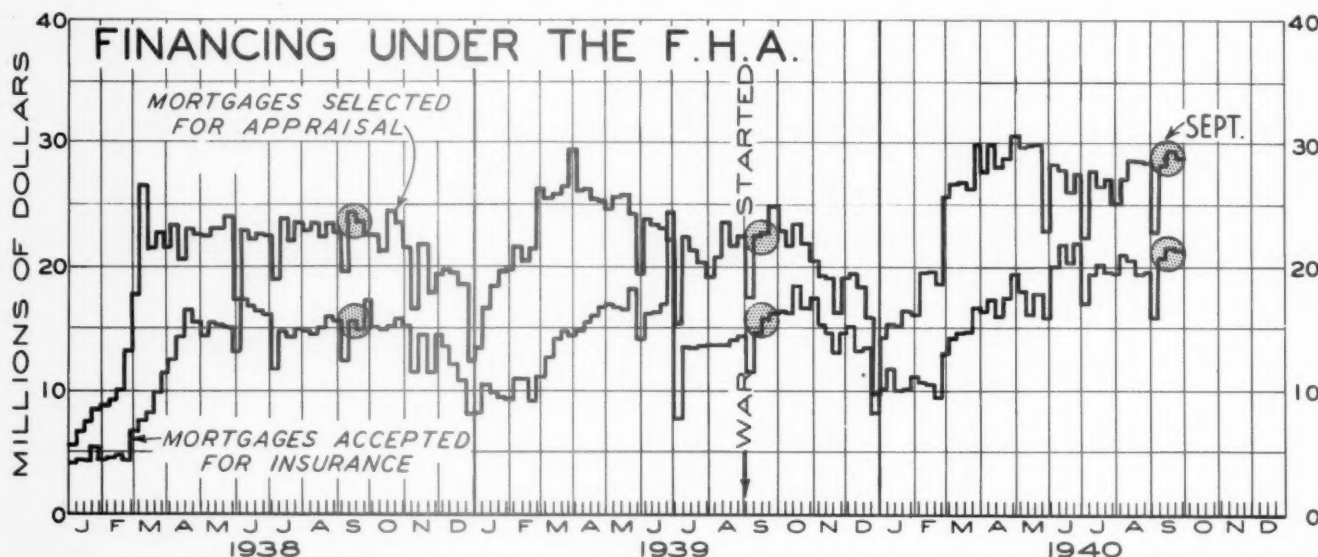
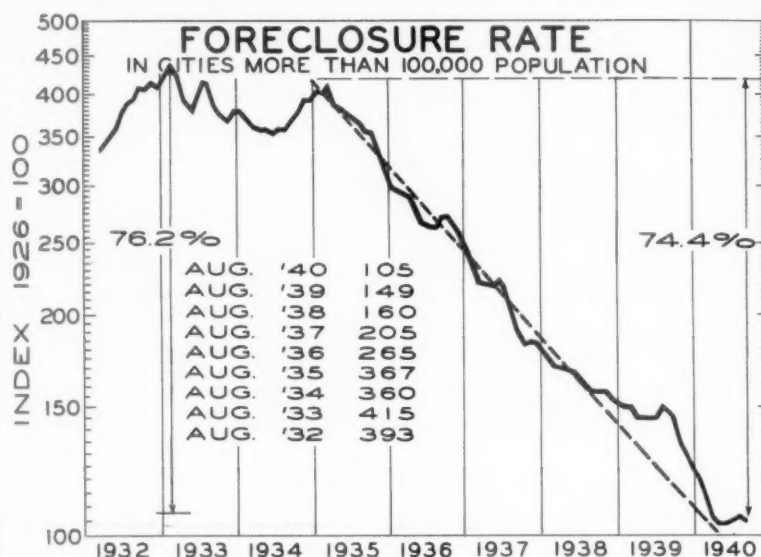
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SAINT LOUIS



custom of handling sales and recording. A warning is in order against the use of figures on "Instruments recorded" often given out by recorders and sometimes used as a business index. These figures generally are a great many times larger than voluntary transfers, since they include foreclosures, mortgages and miscellaneous recordings. Foreclosures are generally down when voluntary transfers are up and vice versa. A total which includes both will be relatively too high during a depression and too low during a period of real estate activity, as the voluntary and involuntary transfers have a tendency to cancel each other.

**U**RBAN foreclosures for August 1940 on a seasonally adjusted basis showed a decrease of 1.9% from the July level bringing them back approximately to the low record levels of this last spring. We think that the increased armament activity, together with the higher building costs, will stabilize real estate still further, reducing the foreclosure rate to considerably lower levels during the next year.

This chart is computed from basic figures that are gathered by the Home Owners' Loan Corporation from all cities of more than one hundred thousand population in the United States.



**M**ORTGAGES selected for appraisal and accepted for insurance by the Federal Housing Administration in September maintained the level of the last four months with only slight variation. This level has varied from 2% to 67% above the corresponding months of a year ago.

Watch these lines very closely this fall to see if new building can hurdle the increased costs now developing. Our own opinion is that during this fall costs will not prove a major deterrent.

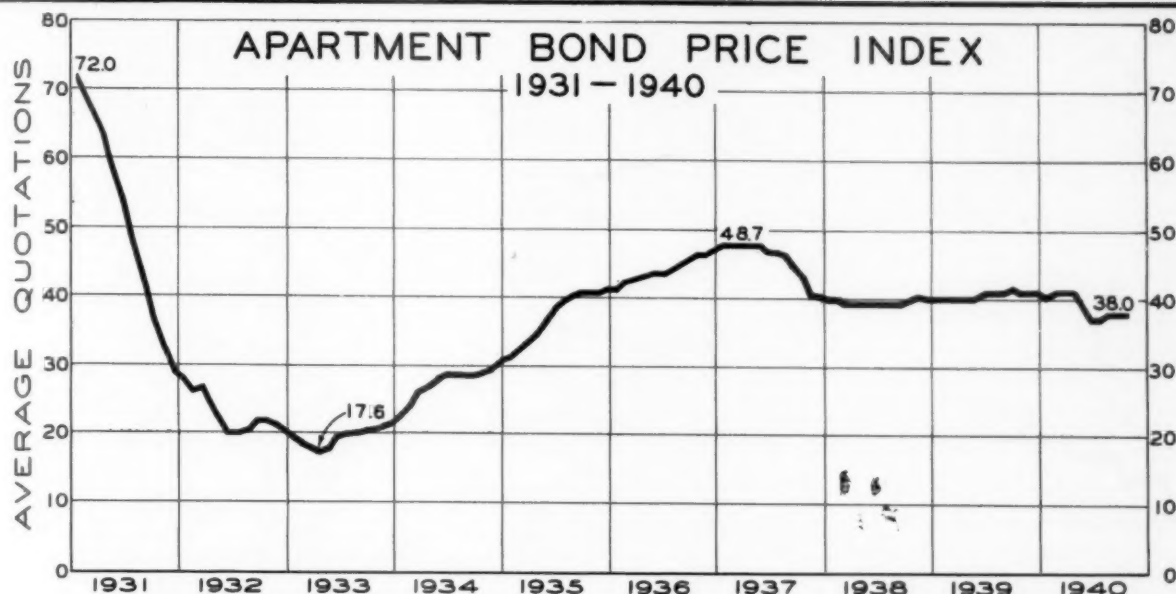
#### MORTGAGES SELECTED FOR APPRAISAL COMPARED WITH YEAR AGO

1939				1940								
Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.
-8%	+2%	-4%	-13%	-9%	-2%	-6%	+21%	+18%	+11%	+42%	+24%	+27%

#### MORTGAGES ACCEPTED FOR INSURANCE COMPARED WITH YEAR AGO

-9%	+13%	+2%	+5%	+15%	+9%	+1%	+18%	+9%	+2%	+67%	+58%	+37%
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**T**HE index of apartment bond prices for October 1940 remained at the August and September level of 38.0. The bonds used in preparing this index and the statistical method employed in its preparation are described in detail in our bond bulletin published August 14, 1940. A copy of this bulletin will be sent to any subscriber on request.

### THE REAL ESTATE ANALYST INDEX OF RESIDENTIAL RENTS

**T**HE table below shows residential rent figures. This is the revised index of residential rents which appeared in the Real Estate Analyst for the first time in the February, 1938, issue. All rents are expressed in dollars per month per room. This makes possible a comparison of rent levels between different

cities, and in the same city between heated and unheated units. The twenty-six cities selected are typical cities scattered from coast to coast. The method of computing this index is described on page 889 in the February, 1938, Real Estate Analyst.

	1937		1938		1939		June		July		1940		Sept.		Oct.	
	Res.	Apt.	Res.	Apt.	Res.	Apt.	Res.	Apt.	Res.	Apt.	Res.	Apt.	Res.	Apt.	Res.	Apt.
National Index	\$8.23	\$11.28	\$8.50	\$11.82	\$8.57	\$11.90	\$8.41	\$11.80	\$8.47	\$11.75	\$8.48	\$11.79	\$8.53	\$11.82	\$8.52	\$11.81
Atlanta	7.52	10.30	7.64	10.60	7.92	10.76	7.90	10.92	7.91	10.88	7.99	11.00	8.12	11.02	8.14	11.02
Baltimore	7.02	10.47	7.05	10.55	7.30	10.50	7.20	10.30	7.40	10.29	7.44	10.26	7.50	10.30	7.47	10.32
Birmingham	5.93	8.92	6.15	9.65	6.26	9.86	6.40	9.80	6.25	9.79	6.42	9.81	6.47	9.85	6.52	9.89
Boston	7.67	13.50	8.09	15.07	8.25	15.30	8.05	14.90	8.09	14.90	8.13	14.95	8.24	14.90	8.40	14.91
Chicago	10.30	12.38	10.56	12.71	10.60	12.61	10.51	12.51	10.77	12.50	10.90	12.57	10.86	12.65	10.80	12.61
Cincinnati	10.18	12.52	10.22	12.73	9.98	12.69	9.90	12.88	9.91	12.85	9.93	12.86	9.83	12.92	9.78	12.57
Cleveland	9.80	12.25	9.90	12.73	9.94	12.67	9.65	12.75	9.75	12.70	9.55	12.68	9.86	12.66	9.58	12.75
Columbus	7.73	11.41	7.66	11.51	7.14	11.10	7.06	10.88	7.07	10.85	7.10	10.85	7.19	10.90	7.20	10.92
Denver	7.54	12.25	7.86	13.20	8.02	13.10	7.78	12.98	7.85	12.87	7.91	12.74	7.87	12.71	7.86	12.70
Detroit	10.02	11.76	9.45	11.78	9.00	11.58	8.89	11.49	8.95	11.54	9.02	11.56	9.08	11.65	9.13	11.76
Houston	8.69	10.30	8.95	11.03	8.73	11.02	8.52	11.01	8.49	10.97	8.40	10.87	8.36	10.77	8.28	10.76
Kansas City	5.40	6.95	5.88	7.00	6.21	7.05	6.18	7.15	6.19	7.14	6.20	7.14	6.22	7.19	6.20	7.15
Los Angeles	10.70	13.24	10.80	13.27	10.70	12.52	10.69	11.78	10.69	11.70	10.66	11.62	10.76	11.59	10.76	11.59
Milwaukee	9.22	10.59	9.28	10.70	9.27	10.60	9.07	10.61	9.15	10.59	9.19	10.59	9.15	10.59	9.12	10.60
Minneapolis	7.37	9.65	8.11	10.19	8.43	10.23	8.35	10.30	8.37	10.30	8.37	10.28	8.31	10.30	8.21	10.30
New Orleans	6.82	8.80	7.90	9.51	8.50	10.37	7.99	10.26	8.24	10.30	8.53	10.30	8.78	10.53	8.86	10.56
New York	12.98	18.83	13.33	19.53	12.94	19.80	12.72	19.20	12.59	19.33	12.80	19.53	12.72	19.65	12.69	19.60
Omaha	6.62	10.40	6.47	10.62	6.49	11.48	6.65	11.55	6.69	11.55	6.75	11.60	6.82	11.70	6.81	11.70
Philadelphia	7.05	14.10	7.28	14.25	7.05	13.98	7.01	13.69	7.00	13.68	7.08	13.85	7.18	14.05	7.20	14.11
Pittsburgh	9.14	11.60	9.48	12.28	9.20	12.24	9.06	12.30	9.20	12.29	9.31	12.12	9.33	12.11	9.31	12.11
Richmond	8.09	10.75	8.36	11.17	8.23	11.02	8.30	11.19	8.24	11.13	8.25	11.08	8.20	11.03	8.25	10.98
Saint Louis	7.53	10.08	7.86	10.49	8.13	10.70	8.19	10.62	8.24	10.57	8.25	10.51	8.22	10.59	8.23	10.63
Salt Lake City	6.70	10.12	7.30	10.68	7.80	10.98	7.69	11.01	7.60	11.11	7.75	11.08	7.77	11.07	7.84	11.09
San Francisco	9.17	12.68	9.80	13.30	9.86	13.55	9.70	13.28	9.70	13.22	9.70	13.12	9.76	13.05	9.76	13.09
Seattle	6.66	10.61	7.22	11.27	7.59	12.02	7.65	11.75	7.69	11.76	7.64	11.82	7.69	11.90	7.75	11.90
Tulsa	8.12		8.65		8.05		7.63		7.63		7.59		7.58		7.51	

\*Preliminary